

## NOTICE OF INTENT

### Department of Health and Hospitals Bureau of Health Services Financing

#### Professional Services Program Physician Services Reimbursement Methodology (LAC 50:IX.15113)

The Department of Health and Hospitals, Bureau of Health Services Financing proposes to amend LAC 50:IX.15113 in the Medical Assistance Program as authorized by R.S. 36:254 and pursuant to Title XIX of the Social Security Act. This proposed Rule is promulgated in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq.

The Department of Health and Hospitals, Bureau of Health Services Financing amended the provisions governing the reimbursement methodology for physician services to increase the reimbursement rates for obstetric delivery services (*Louisiana Register*, Volume 37, Number 3).

As a result of a budgetary shortfall in state fiscal year 2013, the department promulgated an Emergency Rule which amended the provisions governing the reimbursement methodology for physician services to reduce the reimbursement rates and discontinue reimbursement for certain procedures (*Louisiana Register*, Volume 38, Number 7). The department subsequently amended the provisions of the July 1, 2012 Emergency Rule in order to revise the formatting to ensure that these provisions

are promulgated in a clear and concise manner (*Louisiana Register*, Volume 38, Number 10).

The Patient Protection and Affordable Care Act (PPACA) requires states to reimburse certain primary care services at an increased rate. In compliance with PPACA and federal regulations, the department promulgated an Emergency Rule which amended the provisions governing the reimbursement methodology for physician services in order to increase the reimbursement rates (*Louisiana Register*, Volume 39, Number 1).

The department promulgated an Emergency Rule which amended the provisions of the January 1, 2013 Emergency Rule in order to revise the payment methodology and to correct the formatting of these provisions as a result of the promulgation of the October 20, 2012 Emergency Rule governing the reimbursement methodology for physician services (*Louisiana Register*, Volume 39, Number 2). The department subsequently promulgated an Emergency Rule which amended the provisions of the February 20, 2013 Emergency Rule in order to revise the formatting of these provisions. This will ensure that these provisions are appropriately incorporated into the *Louisiana Administrative Code* in a clear and concise manner (*Louisiana Register*, Volume 40, Number 9). This proposed Rule is being promulgated to continue the provisions of the September 20, 2014 Emergency Rule.

Title 50  
PUBLIC HEALTH—MEDICAL ASSISTANCE  
Part IX. Professional Services Program  
Subpart 15. Reimbursement

Chapter 151. Reimbursement Methodology

Subchapter B. Physician Services

§15113. Reimbursement Methodology

A. - I.3. ...

J. ~~J.4. Reserved.~~ Effective for dates of service on or after January 1, 2013 through December 31, 2014, certain physician services shall be reimbursed at payment rates consistent with the methodology that applies to such services and physicians under Part B of Title XVIII of the Social Security Act (Medicare).

1. The following physician service codes, when covered by the Medicaid Program, shall be reimbursed at an increased rate:

a. evaluation and management codes 99201 through 99499; or

b. their successor codes as specified by the U.S. Department of Health and Human Services.

2. Qualifying Criteria. Reimbursement shall be limited to specified services furnished by or under the personal supervision of a physician, either a doctor of osteopathy or a medical doctor, who attests to a specialty or subspecialty

designation in family medicine, general internal medicine or pediatrics, and who also attests to meeting one or more of the following criteria:

a. certification as a specialist or subspecialist in family medicine, general internal medicine or pediatric medicine by the American Board of Medical Specialists (ABMS), the American Board of Physician Specialties (ABPS), or the American Osteopathic Association (AOA); or

b. specified evaluation and management and vaccine services that equal at least 60 percent of total Medicaid codes paid during the most recently completed calendar year, or for newly eligible physicians the prior month.

3. Payment Methodology. For primary care services provided in calendar years 2013 and 2014, the reimbursement shall be the lesser of the:

a. Medicare Part B fee schedule rate in calendar years 2013 or 2014 that is applicable to the place of service and reflects the mean value over all parishes (counties) of the rate for each of the specified or, if greater, the payment rates that would be applicable in those years using the calendar year 2009 Medicare physician fee schedule conversion factor multiplied by the calendar year 2013 and 2014 relative value units in accordance with 42 CFR 447.405. If there is no applicable rate established by Medicare, the reimbursement shall

be the rate specified in a fee schedule established and  
announced by the Centers for Medicare and Medicaid Services  
(CMS); or

b. provider's actual billed charge for the  
service.

4. The department shall make payment to the provider  
for the difference between the Medicaid rate and the increased  
rate, if any.

K. ...

L. - L.3. Reserved.

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254  
and Title XIX of the Social Security Act.

HISTORICAL NOTE: Promulgated by the Department of Health  
and Hospitals, Bureau of Health Services Financing, LR 36:1252  
(June 2010), amended LR 36:2282 (October 2010), LR 37:904 (March  
2011), LR 39:3300, 3301 (December 2013), LR 41:

In compliance with Act 1183 of the 1999 Regular Session of  
the Louisiana Legislature, the impact of this proposed Rule on  
the family has been considered. It is anticipated that this  
proposed Rule will have a positive impact on family functioning,  
stability and autonomy as described in R.S. 49:972 by increasing  
access to primary care services.

In compliance with Act 854 of the 2012 Regular Session of  
the Louisiana Legislature, the poverty impact of this proposed

Rule has been considered. It is anticipated that this proposed Rule will have a positive impact on child, individual, or family poverty in relation to individual or community asset development as described in R.S. 49:973 by reducing the financial burden on families for cost associated with primary care services.

In compliance with House Concurrent Resolution 170 of the 2014 Regular Session of the Louisiana Legislature, the provider impact of this proposed Rule has been considered. It is anticipated that this proposed Rule will have no impact on the staffing level requirements or qualifications required to provide the same level of service, but may reduce the total direct and indirect cost to the provider to provide the same level of service, and may enhance the provider's ability to provide the same level of service as described in HCR 170 since this proposed Rule increases payments to providers for the same services they already render.

Interested persons may submit written comments to J. Ruth Kennedy, Bureau of Health Services Financing, P.O. Box 91030, Baton Rouge, LA 70821-9030 or by email to [MedicaidPolicy@la.gov](mailto:MedicaidPolicy@la.gov). Ms. Kennedy is responsible for responding to inquiries regarding this proposed Rule. A public hearing on this proposed Rule is scheduled for Thursday, May 28, 2015 at 9:30 a.m. in Room 118, Bienville Building, 628 North Fourth Street, Baton Rouge, LA. At that time all interested persons will be afforded an

opportunity to submit data, views or arguments either orally or in writing. The deadline for receipt of all written comments is 4:30 p.m. on the next business day following the public hearing.

Kathy H. Kliebert

Secretary